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ARIZONA CORPORATION COMMISSION ED

July 25, 2013

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CERTIFIED MAIL

Patrick J. Black Attorney for Bella Vista Water Company 2394 East Camelback Rd., Suite 600 Phoenix, AZ 85016 AZ CORP COMMISSION DOCKET CONTROL Arizona Corporation Commission

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Dear Mr. Black:

RE: APPLICATION OF BELLA VISTA WATER COMPANY, INC. - DOCKET NO. W-02465A-13-0207 FOR AN EXTENSION OF AN EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN COCHISE COUNTY, ARIZONA

INSUFFICIENCY LETTER

Dear Mr. Black:

The above-referenced application of Bella Vista Water Company, Inc. ("Applicant") or ("Company"), filed on June 27, 2013, has not met sufficiency requirements as outlined in the Arizona Administrative Code ("A.A.C."). In order to process your application, the ACC Staff needs the following information:

- 1. The Kings Ranch Subdivision Water Master Plan Update, dated June 4, 2012, submitted with the CC&N Application indicates that one of the storage tanks has a capacity of 500,000 gallons. However, the Approval of Construction ("AOC") issued by the Arizona Department of Environmental Quality ("ADEQ") indicates that the storage tank capacity is 400,000 gallons. Please provide the actual capacity of the tank?
- 2. The AOC issued by ADEQ indicates that a 5,000 gallon hydropnuematic tank was installed at the Kings Ranch Subdivision. However, the Water Master Plan Update doesn't mention the hydropnuematic tank. Was the tank installed, and if so, where was the tank installed?
- 3. Item number 18 on page 3 of the CC&N Application, dated June 26, 2013, mentions that construction of the water facilities is nearly complete. However, the AOC issued, September 13, 2012, by ADEQ indicates that the water facilities are complete. Please provide information for the following:
 - Has construction of the water facilities been completed?
 - The date construction was complete.

Mr. Patrick Black Page Two July 25, 2013

- 4. The Water Master Plan Update recommends that the submersible pump in well (ADWR #55-204088) should be investigated and properly sized. Page 2, last sentence of the first paragraph, of the First Amendment to the Water Line Extension Agreement, dated May 14, 2013, indicates "this potable well currently meets the demands of the Development at full build-out". Please provide the following information:
 - What were the issues regarding the required replacement of the original well pump?
 - Have the issues been resolved?
 - Current capacity of the replacement well pump?
- 5. The ACC has no record of the Amended Main Extension Agreement (MXA), dated May 14, 2013, being submitted for review and approval. Has the agreement been submitted to the ACC for approval? If not, when will the agreement be submitted?
- 6. The amended MXA included with the CC&N Application does not include Appendix A, B, C, and D. Please provide the detailed information for each of the appendixes.
- 7. Total construction costs indicated in Exhibit 5 of the CC&N Application do not agree with the total construction costs indicated in Section I. B. on page 4 of the Amended MXA Agreement. Please provide an explanation or correction.

Pursuant to A.A.C. R14-2-411(C)(3), Staff may terminate an application if the applicant does not remedy all deficiencies within 60 calendar days of the notice of deficiency.

If you have any questions concerning this matter, please do not hesitate to contact me at 602-542-0818 or e-mail me at vwallace@azcc.gov.

Sincerely,

Vićki Wallace

Executive Consultant

Cc:

Docket Control

Michael Thompson

Lyn Farmer